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April 4, 2013

KEN SAGAR, TREASURER IOWA DEMOCRATIC PARTY 5661 FLEUR DRIVE DES MOINES, IA 50321

Response Due Date 05/09/2013

IDENTIFICATION NUMBER: C00035600

REFERENCE: OCTOBER MONTHLY REPORT (09/01/2012 - 09/30/2012)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. Failure to adequately respond by the response date noted above could result in an audit or enforcement action. Additional information is needed for the following 3 item(s):

1. Schedule A supporting Line 12 discloses a transfer(s)-in from the "Democratic Congressional Campaign Committee" and the "DNC SERVICES CORPORATION/DEMOCRATIC NATIONAL COMMI." Schedule B supporting Line 30(b) reflects payments for "Banners for Exempt GOTV Events," "Brochures (Not a public communication)," "Buttons - Not a public communication," "Placards communication," Not public "Production/Postage - Exempt Mail/Obama," "Production/Postage/Exempt Mail/Boswell," "Production/Postage/Exempt Mail/Loebsack," "Production and Mail/Boswell," "Production Postage/Exempt Postage/Exempt and Mail/Loebsack," "Stickers - Not a public communication," and "T-Shirts (not a public communication)." Please be advised that a state or local party committee may pay for campaign materials (such as pins, posters, bumper stickers and yard signs) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election and for voter drive activity conducted on behalf of the party's Presidential and Vice Presidential nominees. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national

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committee to specifically fund the activity. For further guidance, please refer to 11 CFR §§100.87 and 100.147 and to the Campaign Guide for Party Committees.

If the activity disclosed on your report does not meet the definition of "exempt" activity as described above and if any portion of the expenditures were made on behalf of specifically identified candidates, that amount must be disclosed on Schedule B, E or F supporting Line 23, 24 or 25 of the Detailed Summary Page as appropriate. Please amend your report or provide clarifying information.

**2.** The limitation on making coordinated party expenditures on behalf of a House candidate in the State of Iowa for the 2012 general election is \$45,600.00. Your reports, however, disclose coordinated party expenditures made on behalf of Leonard Boswell totaling \$85,159.94, which appear to exceed the limitations under 2 U.S.C. §441a(d) (see attached).

If any apparently excessive expenditure in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If you have made an excessive coordinated party expenditure, you must notify the candidate and request a refund of the amount in excess of the limitation.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund request sent to the candidate. In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

Although the Commission may take further legal action concerning the excessive coordinated party expenditures, prompt action in obtaining a refund will be taken into consideration. (11 CFR §103.3(b)(1) and (3))

**3.** Schedule A supporting Line 12 discloses a transfer(s)-in from the "Democratic Congressional Campaign Committee" and the "DNC SERVICES CORPORATION/DEMOCRATIC NATIONAL COMMI." Schedule H6 supporting Line 30(a) reflects payments for Federal Election Activity. Please be advised that under 11 CFR §300.34, a State, district or local party committee must not use any Federal funds transferred to it from a national party committee or any other State, district or local party committee, as the Federal component of an expenditure or disbursement for Federal Election Activity. Furthermore, your committee must itself raise the Federal component of

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expenditure or disbursement allocated between Federal and Levin funds.

Please clarify whether the transfer(s)-in was used for the subsequent payments for Federal Election Activity. In addition, please clarify the procedures you are currently using to ensure that Federal funds transferred to your committee from national, State, district and local party committees are not being used for Federal Election Activity.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. Requests for extensions of time in which to respond will not be considered.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1144.

Sincerely,

Edward Ryan

Senior Campaign Finance Analyst

Edward D. Gan

Reports Analysis Division

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## Excessive, Prohibited, and Impermissible Contributions Iowa Democratic Party (C00035600)

## **Excessive Coordinated Expenditures**

<b>Recipient Name</b>	Date	Amount	Election	Report
Leonard Boswell	8/31/11	\$109.97	G2012	2011 September Monthly
Leonard Boswell	9/1/11	\$478.26	G2012	2011 October Monthly
Leonard Boswell	9/2/11	\$916.14	G2012	2011 October Monthly
Leonard Boswell	9/9/11	\$180.57	G2012	2011 October Monthly
Leonard Boswell	9/5/12	\$83,475.00	G2012	2012 October Monthly